

SYSTEM AND METHOD FOR
LEAN INVENTORY MANAGEMENT

ABSTRACT OF THE DISCLOSURE

A system (100) for inventory management includes memory (116) containing a cumulative demand value (252) for each of a plurality of time windows (204) within a planning horizon (200). The cumulative demand value (252) for a time window (204)

5 represents a cumulative demand for at least one product over the time window (204) and all previous time windows (204) in the planning horizon (200). The memory (116) also includes a cumulative production value (254) for each time window (204). The cumulative production value (254) for a time window (204) represents a cumulative quantity of the product that can be manufactured over the time window (204) and all previous time windows (204) in the planning horizon (200). The system (100) also includes one or more processors (114) collectively operable to determine a lean buffer stock value using the cumulative demand values (252) and the cumulative production values (254). The lean buffer stock value represents a quantity of the product to use as a lean buffer stock for the planning horizon (200). The one or more processors (114) are also collectively operable to make the lean

10 buffer stock value available for use in manufacturing the product.

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